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## FISCAL IMPACT REPORT

SPONSOR Begaye DATE TYPED 02/05/05 HB HJM 14

SHORT TITLE Increase Funding for Urban Indian Services SB \_\_\_\_\_

ANALYST Weber

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Human Services Department  
 Department of health  
 Indian affairs Department

### SUMMARY

#### Synopsis of Bill

House Joint Memorial 14 resolves that the New Mexico congressional delegation be requested to urge the U.S. Congress to adequately fund the Indian Health Service to ensure that the urban Indian population of New Mexico is treated for accidents and persistent health problems.

#### Significant Issues

The Indian Affairs Department notes.

Currently, the Albuquerque Indian Health Center faces a budget deficit as a result of numerous factors including the general under-funding of the Indian Health Service. A federal appropriation of \$5 million will help the Albuquerque Indian Center to maintain and provide an adequate level of health care services to the Native American user population.

According to the 2000 U.S. Census, over 10% of New Mexico's population is American Indian. The state's urban Indian population lives predominately in the Albuquerque metropolitan area,

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which makes Albuquerque the 7<sup>th</sup> in the nation for largest American Indian and Alaska Native population. The Albuquerque Indian Health Center serves a majority of this urban Indian population. The lack of federal funding to the Albuquerque Indian Health Center will result in urban Indians having to seek alternative health care resources and significantly impacting the state, county, Tribal and local private and public health care systems and resources.

Human Services adds.

Albuquerque Indian Hospital (AIH), part of the IHS system, has recently experienced financial difficulties. Several New Mexico Pueblos implementing Public Law 93-638 contracts removed their portion of AIH's funding in order to deliver health care services locally. AIH serves a large number of urban Native Americans, many of whom are not eligible for Medicaid. For example, low-income or working poor adults without children may not have commercial health care coverage, but also would not be eligible for Medicaid. Additionally, AIH lost their inpatient hospital certification and are now billing Medicaid only for outpatient and pharmacy services.

Medicaid makes significant payments on behalf of eligible Native Americans to the Indian Health Service with roughly \$63 million projected for FY05.

The Department of health echoes the above.

The Indian Self-Determination and Education Assistance Act, Public Law (P.L.) 93-638, permits local tribes and pueblos to take their share of funds out of the Albuquerque service unit. As a result, the Albuquerque Indian Health Center (AIHC - previously known as the Albuquerque Indian Hospital) is experiencing further reductions in funding and is planning to close its urgent care center in February 2005. Estimates are that from 17,000 to 40,000 urban Indians will be impacted by this closure.

Urban Indians will have to seek care at other health agencies, which may limit access to culturally appropriate care such as: attention to cultural beliefs, addressing of linguistic barriers, and building trust.

**MW/rs**